

**IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA**

ANTHONY J. GROSEK, III, Trustee,

Plaintiff,

v.

CONNECTICUT GENERAL LIFE
INSURANCE COMPANY and
THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY,

Defendants.

Case No. _____

NOTICE OF REMOVAL

Pursuant to 28 U.S.C. §§ 1332, 1441 & 1446, Defendants The Lincoln National Life Insurance Company ("Lincoln") and Connecticut General Life Insurance Company ("Connecticut General") (collectively, "Defendants"), subject to all of its defenses, which are expressly reserved herein, by and through counsel, hereby remove the above-captioned action from the Court of Common Pleas of Luzerne County to the United States District Court for the Middle District of Pennsylvania. As grounds for this removal, Defendants state as follows:

1. On January 4, 2013, Plaintiff Anthony J. Grosek, III ("Plaintiff") filed a Complaint against the Defendants in the Court of Common Pleas of Luzerne County (Case No. 2013-00080) asserting causes of action against Defendants for breach of contract and bad faith (the "State Court Action").

2. This Notice of Removal is filed within the time permitted by 28 U.S.C. § 1146, as Defendants were served with a copy of the Complaint in the State Court Action on January 11, 2013. True and correct copies of “all process, pleadings, and orders served” in the State Court Action are attached to this Notice of Removal as Exhibit A. Defendants have not taken any action and no orders have been entered in the State Court Action.

3. Defendants are authorized to remove this action under 28 U.S.C. §§ 1441 and 1446. This Court has original subject-matter jurisdiction over the State Court Action pursuant to 28 U.S.C. § 1332, as there is complete diversity of citizenship between the parties and the amount in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs. Neither of the Defendants is a citizen of the forum state. *See* 28 U.S.C. § 1441(b). Moreover, removal is proper because this Court is the district court “for the district and division embracing the place where [the State Court Action] is pending.” *See* 28 U.S.C. § 1441(a).

4. Complete diversity exists between the Plaintiff and Defendants. Plaintiff is a citizen of the Commonwealth of Pennsylvania. Lincoln is a life insurance company organized and existing under the laws of the State of Indiana, with its principal place of business located at 1300 South Clinton Street, Ft. Wayne, Indiana 46802. Connecticut General is a life insurance company organized and existing under the laws of the State of Connecticut, with its principal

place of business located at 900 Cottage Grove Road, Bloomfield, Connecticut 06152. Accordingly, complete diversity of citizenship now exists and existed at the time the State Court Action was commenced.

5. The amount in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs, as required by 28 U.S.C. § 1332(a). The Complaint asserts claims against Defendants for breach of contract and bad faith. The Complaint alleges that Defendants' purported breach of contract caused Plaintiff damages in the amount of \$62,375. In addition, Plaintiff's bad faith claim seeks punitive damages and attorney's fees, which are included for determining the amount in controversy. *See Javorksi v. Nationwide Mut. Ins. Co.*, 2006 WL 2225851, at *5 (M.D. Pa. Aug. 2, 2006) ("If punitive damages are sought, a court may include them in the amount in controversy[.]"); *Morris v. Bankers Life & Cas. Co.*, 2012 WL 602418, at *1-2 (E.D. Pa. Feb. 24, 2012) (in a case involving bad faith, "the claim for attorney's fees and punitive damages could easily put the amount in controversy over the jurisdictional limit"). Accordingly, the amount in controversy, exclusive of interests and costs, exceeds \$75,000.

6. In accordance with 28 U.S.C. § 1446(d), all adverse parties are being provided with this Notice of Removal, and a copy of this Notice of Removal will be filed with the Prothonotary of Luzerne County.

WHEREFORE, based on the foregoing, this Court has original jurisdiction over this action pursuant to 28 U.S.C. § 1332, and removal of this civil action to this Court from the Court of Common Pleas of Luzerne County is proper under 28 U.S.C. §§ 1441 and 1446.

Respectfully submitted,

DRINKER BIDDLE & REATH LLP

Dated: February 8, 2013

By: /s Stephen C. Baker

Stephen C. Baker (PA 32326)

Charles J. Vinicombe*

Robert J. Mancuso (PA 309786)*

DRINKER BIDDLE & REATH LLP

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robert.mancuso@dbr.com

*Admission To Be Requested

*Attorneys for Defendants The Lincoln
National Life Insurance Company and
Connecticut General Life Insurance
Company*

CERTIFICATE OF SERVICE

I hereby certify that on the 8th day of February, 2013, a true and correct copy of the foregoing Notice of Removal was sent via email and U.S. Mail to:

Charles A. Shaffer, Esq.
Pugliese, Finnegan, Shaffer & Ferentino LLC
575 Pierce Street – Suite 500
Kingston, PA 18704
shaffer@pfslawyer.com
Counsel for Plaintiff

/s Robert J. Mancuso
Robert J. Mancuso

Exhibit “A”

Pugliese, Finnegan, Shaffer & Ferentino LLC
Charles A. Shaffer, Esquire / Id No. 01825
575 Pierce Street - Suite 500
Kingston, PA 18704
570-283-1800 (Phone)
570-283-1840 (Fax)
shaffer@pfsllawyer.com

FILED
PROthonARY
LUZERNE COUNTY

LINCOLN

2013 JAN -4 AM 9:11

Referred to _____

REC'D

JAN 11 2013

Attorneys for Plaintiff

Answered _____

LAW DIVISION

ANTHONY J. GROSEK, III, Trustee,
Plaintiff

IN THE COURT OF COMMON PLEAS
OF LUZERNE COUNTY

vs.

CIVIL ACTION - LAW
JURY TRIAL DEMANDED

CONNECTICUT GENERAL LIFE
INSURANCE COMPANY and
LINCOLN NATIONAL LIFE
INSURANCE COMPANY,
Defendants

NO.

2013-00080

NOTICE

YOU HAVE BEEN SUED IN COURT. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so, the case may proceed without you and a judgment may be entered against by the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

NORTH PENN LEGAL SERVICES, INC.
410 Bicentennial Building
15 Public Square
Wilkes-Barre, PA 18701
570-825-8567

Pugliese, Finnegan, Shaffer & Ferentino LLC
 Charles A. Shaffer, Esquire / Id No. 01825
 575 Pierce Street - Suite 500
 Kingston, PA 18704
 570-283-1800 (Phone)
 570-283-1840 (Fax)
shaffer@pfslawyer.com

FILED
 PROthonctary
 LUZERNE COUNTY
 2013 JAN -4 AM 9:11

Attorneys for Plaintiff

ANTHONY J. GROSEK, III, Trustee,
 Plaintiff

vs.

CONNECTICUT GENERAL LIFE
 INSURANCE COMPANY and
 LINCOLN NATIONAL LIFE
 INSURANCE COMPANY,
 Defendants

IN THE COURT OF COMMON PLEAS
 OF LUZERNE COUNTY

CIVIL ACTION - LAW
 JURY TRIAL DEMANDED
LINCOLN
 Referred to _____

NO. REC'D JAN 11 2013

COMPLAINT

Answered _____
 LAW DIVISION

The Plaintiff, Anthony J. Grosek, III, Trustee, by and through his counsel, Pugliese, Finnegan, Shaffer & Ferentino LLC, brings this action against Connecticut General Life Insurance Company and Lincoln National Life Insurance Company and for his complaint, states and avers the following:

1. The Plaintiff is Anthony J. Grosek, III, Trustee under an Irrevocable Agreement of Trust made March 31, 1980 by Anthony J. Grosek, Jr., Settlor, of Dallas, PA.
2. The Defendant, Connecticut General Life Insurance Company, is a Connecticut insurance corporation doing business in the Commonwealth of Pennsylvania with an office at 900 Cottage Grove Road, Bloomfield, CT 06002 and Two Liberty Place, TL18A, 1601 Chestnut Street, Philadelphia, PA 19192-2362.
3. The Defendant, Lincoln National Life Insurance Company, is an Indiana corporation with offices at 1300 South Clinton Street, Fort Wayne, IN 46802.

4. The Defendant, Connecticut General Life Insurance Company, on November 7, 1988, issued a life insurance policy in the face amount of \$1,600,000.00 insuring the life of Anthony J. Grosek, Jr. ("Policy"). A copy of that policy is attached hereto as Exhibit "A" and incorporated herein by reference thereto.

5. The owner and beneficiary of the Policy was the Trustee under the Irrevocable Agreement of Trust made March 31, 1980 by Anthony J. Grosek, Jr., Settlor.

6. The Defendant, Lincoln National Life Insurance Company, at all times material hereto, was the administrative agent for the Defendant, Connecticut General Life Insurance Company, and at all times material hereto was acting as such agent, duly authorized and within the scope of its authority.

7. The Defendant, Lincoln National Life Insurance Company, on November 8, 2011, sent the Trustee a 2011 Annual Statement with regard to the Policy for the period of November 7, 2010 to November 6, 2011. A copy of that Annual Statement is attached hereto as Exhibit "B" and incorporated herein by reference thereto.

8. The premium on the Policy due November 7, 2011 was not paid when due and the Defendant, Connecticut General Life Insurance Company began taking money from the cash value of the Policy each month to pay the premium and keep the Policy in force.

9. The Policy, on Page 9, provided "at least thirty-one (31) days before the end of the grace period the company will send a notice that there is insufficient cash value under the policy. The notice will show the amount of the premium required to cover the monthly deduction to prevent the policy from lapsing.... If such premium as billed by the company is not paid within the grace period, all coverage under the policy will terminate without value at the end of the grace period. If

the insured dies during the grace period, the company will deduct any overdue monthly deductions from the benefits.”

10. The owner of the Policy received a letter from the Defendant, Lincoln National Life Insurance Company, dated March 6, 2012 which stated it was writing to tell the owner of the Policy that there is insufficient cash value under the Policy to cover the required monthly deduction. It stated “the minimum payment necessary to maintain this Policy in force until 11/07/2012 is \$90,417.79. Unless this amount is received within the grace period, your Policy will terminate according to its terms on 04/08/2012”. A copy of Lincoln National Life Insurance Company’s letter dated March 6, 2012 is attached hereto as Exhibit “C” and incorporated herein by reference thereto.

11. The letter from Lincoln National Life Insurance Company dated March 6, 2012 was the only notice sent by the Defendants that there was insufficient cash value under the Policy.

12. The premium of \$90,417.79 was paid in April 2012 before the Policy terminated.

13. The insured died on May 20, 2012 and the owner of the Policy made a demand on the Defendants for a refund of the unearned premium which the Plaintiff estimates to be approximately in the amount of \$62,375.00.

14. The letter from Lincoln National Life Insurance Company dated March 6, 2012 did not comply with what the insurance carrier was required to do under the terms of the contract of insurance. The insurance company was required to send a notice that “will show the amount of premium required to cover the monthly deduction to prevent the Policy from lapsing.” The letter of March 6, 2012 did not do that.

15. Connecticut General Life Insurance Company was in breach of its insurance contract. It misrepresented to the owner of the Policy what had to be done in order to keep the Policy in force.

COUNT I - BREACH OF CONTRACT

16. Paragraphs 1 through 15 as set forth above are incorporated herein by reference as though the same were set forth herein at length.

17. The contract of insurance required the Defendants to send a notice that would show the amount of premium required to cover the monthly deduction necessary to prevent the Policy from lapsing.

18. The Defendant, Connecticut General Life Insurance Company, had made monthly deductions from the cash value of the Policy in order to pay the premiums each month.

19. The Defendant, Connecticut General Life Insurance Company, did not inform the Plaintiff of the amount of premium required to cover the monthly deduction necessary to prevent the Policy from lapsing. Instead, in violation of the terms of its agreement, the Defendant made demand for payment of a premium in the amount of \$90,417.79.

20. By demanding a payment in the amount of \$90,417.79 the Defendant, Connecticut General Life Insurance Company was in breach of the insurance contract and caused the Plaintiff to pay an amount greatly in excess of the monthly deduction necessary to prevent the Policy from lapsing and resulted in the Defendant, Connecticut General Life Insurance Company, retaining an unearned premium which the Plaintiff estimates to be approximately in the amount of \$62,375.00.

21. The Defendant, Connecticut General Life Insurance Company, has breached the fiduciary duty of good faith and fair dealing imposed upon each party to a contract in its performance and its enforcement.

WHEREFORE, the Plaintiff, Anthony J. Grosek, III, demands:

- A. That the Defendants be directed to account to the Plaintiff for the amount of the premium required to cover the monthly deduction to prevent the policy from lapsing from April 8, 2012 through the date of the insured's death on May 20, 2012; and
- B. That judgment be entered in favor of the Plaintiff, Anthony J. Grosek, III, and against the Defendants, Connecticut General Life Insurance Company and Lincoln National Life Insurance Company, in the amount of the unearned premium determined to be due to the Plaintiff which amount is in excess of \$50,000.00 which is in excess of the compulsory arbitration limits of Luzerne County together with interest and costs.

COUNT II - BAD FAITH - 42 Pa. C.S.A. § 8371

22. Paragraphs 1 through 21 as set forth above are incorporated herein by reference as though the same were set forth herein at length.

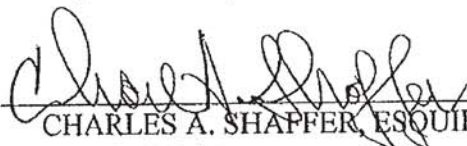
23. The Defendants have breached a known duty that is the duty of good faith and fair dealing through a motive of self-interest or ill will.

24. The conduct of the Defendants constitutes bad faith.

WHEREFORE, the Plaintiff, Anthony J. Grosek, III, prays this Honorable Court to:

- A. Award interest on the amount of his claim from the date the claim was made in an amount equal to the prime rate of interest plus 3%;
- B. Award punitive damages against the Defendants; and
- C. Assess court costs and attorneys' fees against the Defendants.

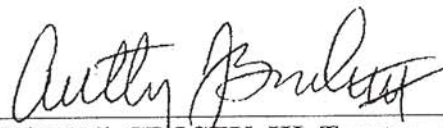
Respectfully submitted,
PUGLIESE, FINNEGAN, SHAFFER & FERENTINO LLC

BY: 
CHARLES A. SHAFFER, ESQUIRE
ID. NO. 01825
570-283-1800
Counsel for Plaintiff

Date: Jan. 2, 2013

VERIFICATION

The facts set forth in the foregoing **COMPLAINT** are true upon the undersigned's personal knowledge or upon information and belief. This written statement of fact is made by the undersigned subject to the penalties of 18 Pa. C.S.A. §4904, relating to unsworn falsification to authorities, this 2nd day of January 2013.



ANTHONY J. GROSEK, III, Trustee

EXHIBIT “A”

Insured ANTHONY J GROSEK, JR

5056025 Policy Number

Initial Specified Amount \$1,600,000

NOVEMBER 7, 1988 Date of Issue

Connecticut General Life Insurance Company

Home Office: Bloomfield, Connecticut

Mailing Address: Hartford, Connecticut

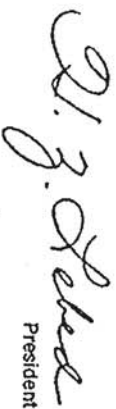
The Company agrees to pay the death benefit to the Beneficiary upon receipt of due proof of the Insured's death during the continuance of the policy. The Company further agrees to pay the net cash value to the Owner on the Maturity Date provided the Insured is then alive.

Right to Examine Policy. The policy may be returned to the insurance agent through whom it was purchased or to the Company within 10 days after its receipt (20 days after its receipt where required by law for policies issued in replacement of other insurance). If the policy is so returned, it will be deemed void from the Date of Issue, and the Company will refund the premium paid.

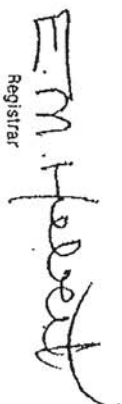
The policy is issued and accepted subject to the terms set forth on the following pages, which are made a part of the policy. In consideration of the application and the payment of premiums as provided, this policy is executed by Connecticut General Life Insurance Company as of its Date of Issue.



Secretary



President



Registrar

Flexible Premium Adjustable Life Insurance Policy - Non-Participating

Death benefit payable in the event of death before the Maturity Date. Adjustable death benefit.

Net Cash Value payable on the Maturity Date.

Flexible Premiums payable to Maturity Date or prior death of the Insured.

Premium Payment Periods and Supplementary Coverages as shown in the Policy Specifications.

LN505 PA

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POLICY SPECIFICATIONS

INSURED	ANTHONY J GROSEK, JR	5056025	POLICY NUMBER
INITIAL SPECIFIED AMOUNT	\$1,600,000	NOVEMBER 7, 1988	DATE OF ISSUE
MINIMUM SPECIFIED AMOUNT	\$100,000	62	AGE AT ISSUE
MONTHLY ANNIVERSARY DAY	7	NONSMOKER	PREMIUM CLASS
		NOVEMBER 7, 2021	MATURITY DATE

FORM	BENEFIT	BENEFIT AMOUNT	EFFECTIVE DATE	MONTHLY INSURANCE COST	YEARS DEDUCTIBLE
LN505	FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE	SEE INITIAL SPECIFIED AMOUNT	DATE OF ISSUE	SEE PAGE 13	33
	DEATH BENEFIT EQUALS SPECIFIED AMOUNT (WHICH INCLUDES THE CASH VALUE)				

MINIMUM INITIAL PREMIUMS: \$120,730.17 DURING FIRST POLICY YEAR OR A MINIMUM OF 1/3
OF THIS AMOUNT PAYABLE DURING POLICY YEARS 1, 2 AND 3.

PAYMENT MODE: ANNUAL

NOTE: COVERAGE WILL END PRIOR TO THE MATURITY DATE SHOWN WHERE MINIMUM INITIAL PREMIUM REQUIREMENTS
ARE NOT MET, OR SUBSEQUENT PREMIUMS AND CREDITED INTEREST ARE INSUFFICIENT TO CONTINUE COVERAGE
TO SUCH DATE.

AS OF THE DATE OF ISSUE, THE INTEREST RATE ON ANY POLICY LOAN AS DESCRIBED IN THE "LOAN
INTEREST" PROVISION ON PAGE 14 IS 8%. THIS RATE WILL STAY IN EFFECT UNTIL THE COMPANY NOTIFIES
THE OWNER OF A CHANGE IN SUCH RATE.

OWNER GEORGE B SORDONI, TRUSTEE UNDER AN AGREEMENT OF TRUST WITH THE INSURED DATED MARCH 31, 1980,
OR THE SUCCESSOR(S) IN SAID TRUST.

(CONTINUED ON PAGE 3.1)

LN505 IULMBC**1

POLICY SPECIFICATIONS

INSURED	ANTHONY J GROSEK, JR	5056025	POLICY NUMBER
INITIAL SPECIFIED AMOUNT	\$1,600,000	NOVEMBER 7, 1988	DATE OF ISSUE
MINIMUM SPECIFIED AMOUNT	\$100,000	62	AGE AT ISSUE
MONTHLY ANNIVERSARY DAY	7	NONSMOKER	PREMIUM CLASS
		NOVEMBER 7, 2021	MATURITY DATE

(CONTINUED FROM PAGE 3)

BENEFICIARY GEORGE B SORDONI, TRUSTEE UNDER AN AGREEMENT OF TRUST WITH THE INSURED, DATED
MARCH 31, 1980, OR THE SUCCESSOR(S) IN SAID TRUST.

TABLE OF SURRENDER CHARGES

POLICY YEAR	SURRENDER CHARGE AS OF BEGINNING OF POLICY YEAR
1	\$79,700
2	76,751
3	73,770
4	70,757
5	67,697
6	64,604
7	61,448
8	58,244
9	54,945
10	51,581
11	48,122
12	44,568
13	30,676
14	18,546
15	8,272
16 AND THEREAFTER	0

T.M.C.N.R.

for the Person Insured

SPECIAL NOTE: The current monthly cost of insurance rate is based on the sex, attained age (nearest birthday) and Premium Class of the person insured. In determining the monthly cost of insurance, the Company will add the amount of the Flat Extra Monthly Insurance Cost, if any, shown in the Policy Specifications. If the person insured is in a rated premium class, the Guaranteed Maximum Life Insurance Rates will be those in the table multiplied by the Risk Factor, if any, shown in the Policy Specifications. The rates below are based on the 1980 CSO Tables (Male or Female as appropriate).

ATTAINED AGE (nearest birthday)	MALE MONTHLY RATE	FEMALE MONTHLY RATE	ATTAINED AGE (nearest birthday)	MALE MONTHLY RATE	FEMALE MONTHLY RATE	ATTAINED AGE (nearest birthday)	MALE MONTHLY RATE	FEMALE MONTHLY RATE
0	0.34845	0.24089	35	0.17586	0.13752	70	3.30338	1.84590
1	0.08917	0.07251	36	0.18670	0.14669	71	3.62140	2.02325
2	0.08251	0.06750	37	0.20004	0.15752	72	3.98666	2.24419
3	0.08167	0.06584	38	0.21505	0.17003	73	4.40599	2.51548
4	0.07917	0.06417	39	0.23255	0.18503	74	4.87280	2.83552
5	0.07501	0.06334	40	0.25173	0.20171	75	5.37793	3.19685
6	0.07167	0.06084	41	0.27424	0.22005	76	5.91225	3.59370
7	0.06667	0.06000	42	0.29675	0.23922	77	6.46824	4.01942
8	0.06334	0.05834	43	0.32260	0.25757	78	7.04089	4.47410
9	0.06167	0.05750	44	0.34929	0.27674	79	7.64551	4.97042
10	0.06084	0.05667	45	0.37931	0.29675	80	8.30507	5.52957
11	0.06417	0.05750	46	0.41017	0.31677	81	9.03761	6.17118
12	0.07084	0.06000	47	0.44353	0.33761	82	9.86724	6.91414
13	0.08251	0.06250	48	0.47856	0.36096	83	10.80381	7.77075
14	0.09584	0.06667	49	0.51777	0.38598	84	11.82571	8.72632
15	0.11085	0.07084	50	0.55948	0.41350	85	12.91039	9.76952
16	0.12585	0.07501	51	0.60870	0.44270	86	14.03509	10.89151
17	0.13919	0.07917	52	0.66377	0.47523	87	15.18978	12.08770
18	0.14836	0.08167	53	0.72636	0.51276	88	16.36948	13.35774
19	0.15502	0.08501	54	0.79730	0.55114	89	17.57781	14.70820
20	0.15836	0.08751	55	0.87326	0.59118	90	18.82881	16.15259
21	0.15919	0.08917	56	0.95591	0.63123	91	20.14619	17.71416
22	0.15752	0.09084	57	1.04192	0.66961	92	21.57655	19.43814
23	0.15502	0.09251	58	1.13378	0.70633	93	23.20196	21.40786
24	0.15169	0.09501	59	1.23235	0.74556	94	25.28174	23.83051
25	0.14752	0.09668	60	1.34180	0.78979			
26	0.14419	0.09918	61	1.46381	0.84488			
27	0.14252	0.10168	62	1.60173	0.91417			
28	0.14169	0.10501	63	1.75809	1.00267			
29	0.14252	0.10835	64	1.93206	1.10539			
30	0.14419	0.11251	65	2.12283	1.21731			
31	0.14836	0.11668	66	2.32623	1.33511			
32	0.15252	0.12085	67	2.54312	1.45461			
33	0.15919	0.12502	68	2.77350	1.57247			
34	0.16669	0.13168	69	3.02328	1.69955			

Table of Expense Charges

The following expenses are charged under this policy:

- An initial policy fee of \$300.
- A monthly charge of \$5 beginning on the Date of Issue.
- A charge of 5% of all premiums received.
- A fee of \$25.00 for each partial surrender.

Premium and Reinstatement Provisions

Payment of Premiums. All premiums are payable at the Home Office or to an authorized agent of the Company. The first premium is due on the Date of Issue and is payable in advance. Subsequent premium payments may be made at any time before the Maturity Date. Receipts signed by the President or Secretary and duly countersigned will be furnished upon request.

Monthly Anniversary Days, policy months, policy years and policy anniversaries are computed from the Date of Issue.

Minimum Premiums. The Minimum Initial Premium as shown in the Policy Specifications for the Initial Specified Amount as of the Date of Issue is the amount required to prevent the policy from lapsing. Thereafter, the minimum premium is the amount required to maintain a positive surrender value as set forth under the "Grace Period" provision.

Planned Annual Premiums. The Company will send premium reminder notices for the amounts and frequency of payments established by the Owner. The Company reserves the right to stop sending such notices if no premium payment is made within 2 policy years. Changes in the amounts or frequency of such payments will be subject to consent of the Company.

Unscheduled Premiums. In addition to planned annual premiums, unscheduled premium payments of at least \$100.00 each may be made before the Maturity Date. The Company reserves the right to limit the amount or number of any such unscheduled premium payments.

Grace Period. If the surrender value on any Monthly Anniversary Day is less than the required monthly deduction, a grace period of 61 days will be granted to pay a premium sufficient to cover the required monthly deduction. (The surrender value and monthly deduction are described under "Nonforfeiture Provisions") If, however,

er, the Minimum Initial Premium requirement for the amounts and frequency as set forth in the Policy Specifications is met, the policy will not lapse during the Minimum Initial Premium period. The Minimum Initial Premium period is the period during which the Minimum Initial Premium is payable as set forth in the Policy Specifications.

At least 31 days before the end of the grace period the Company will send a notice that there is insufficient cash value under the policy. The notice will show the amount of premium required to cover the monthly deduction to prevent the policy from lapsing and will be mailed to the last known addresses of the Owner and the assignee of record with the Company, if any. If such premium, as billed by the Company, is not paid within the grace period, all coverage under the policy will terminate without value at the end of the grace period. If the insured dies during the grace period, the Company will deduct any overdue monthly deductions from the benefits.

Reinstatement. After the policy has lapsed due to the expiration of a grace period, it may be reinstated at any time prior to the Maturity Date provided: (a) it has not been surrendered for cash, (b) a written application for reinstatement is submitted to the Company, (c) evidence of insurability satisfactory to the Company is furnished, (d) enough premium is paid to keep the policy in force for at least 2 months, and (e) any indebtedness against the policy increased by any loan interest is paid or reinstated.

The effective date of the reinstated policy will be the Monthly Anniversary Day that coincides with or next follows the date the application for reinstatement is approved by the Company. The charges shown in the "Table of Surrender Charges" under this policy will be reinstated as of the policy year in which the policy lapsed.

Ownership, Assignment and Beneficiary Provisions

Owner. The Owner on the Date of Issue will be the person designated in the Policy Specifications. If no Owner is designated, the insured will be the Owner.

Rights of Owner. While the insured is alive, the Owner may exercise all rights and privileges under the policy including the right to: (a) release or surrender the policy to the Company, (b) agree

with the Company to any change in or amendment to the policy, (c) transfer all rights and privileges to another person, and (d) assign the policy.

All rights and privileges of Owner may be exercised without the consent of any designated transferee, or any Beneficiary if the Owner has reserved the right to change the Beneficiary. All such

Ownership, Assignment and Beneficiary Provisions (Continued)

rights and privileges, however, may be exercised only with the consent of any assignee recorded with the Company and the Beneficiary if the Owner has not reserved the right to change the Beneficiary.

Unless provided otherwise, if the Owner is a person other than the Insured and dies before the Insured, all the rights and privileges of Owner will vest in the Owner's executors, administrators or assigns.

Transfer of Owner. The Owner may transfer all rights and privileges of Owner. On the effective date of transfer, the transferee will become the Owner and will have all the rights and privileges of Owner. The Owner may revoke any transfer prior to its effective date.

Unless provided otherwise, a transfer will not affect the interest of any Beneficiary designated prior to the effective date of the transfer.

A transfer of Owner, or a revocation of transfer, must be in writing on a form satisfactory to the Company and filed at the Home Office. A transfer, or a revocation, will not take effect until recorded in writing by the Company. When a transfer or revocation has been so recorded, it will take effect as of the effective date specified by the Owner. Any payment made or any action taken or allowed by the Company before the transfer, or the revocation, is recorded will be without prejudice to the Company.

Assignment. The Company will not be affected by any assignment of the policy until the original assignment or a certified copy of the assignment is filed at the Home Office.

Insurance Coverage Provisions

Effective Date of Coverage. The effective date of this policy will be the Date of Issue provided the initial premium has been paid while the Insured is alive and prior to any change in health from that shown in the original application. This provision will not, however, affect the terms of any Temporary Insurance Agreement.

For any increase or addition to coverage, the effective date will be the Monthly Anniversary Day that coincides with or next follows the date the supplemental application is approved by the Company.

The Company does not assume responsibility for the validity or sufficiency of any assignment. An assignment of the policy will operate so long as the assignment remains in force.

To the extent provided under the terms of the assignment, an assignment will transfer the interest of any designated transferee or of any Beneficiary if the Owner has reserved the right to change the Beneficiary.

Beneficiary. The Beneficiary on the Date of Issue will be the person designated in the Policy Specifications.

Unless provided otherwise, the interest of any Beneficiary who dies before the Insured will vest in the Owner or the Owner's executors, administrators or assigns.

Change of Beneficiary. A new Beneficiary may be designated from time to time. A request for change of Beneficiary must be in writing on a form satisfactory to the Company and filed at the Home Office. The request must be signed by the Owner. The request must also be signed by the Beneficiary if the right to change the Beneficiary has not been reserved to the Owner.

A change of Beneficiary will not take effect until recorded in writing by the Company. When a change of Beneficiary has been so recorded, whether or not the Insured is then alive, it will take effect as of the date the request was signed. Any payment made or any action taken or allowed by the Company before the change of Beneficiary is recorded will be without prejudice to the Company.

Unless provided otherwise, the right to change any Beneficiary is reserved to the Owner.

provided (a) sufficient cash value exists under the policy to cover the cost for the increase or (b) sufficient premium for the increase or addition has been paid.

For any insurance that has been reinstated, the effective date will be the Monthly Anniversary Day that coincides with or next follows the day the application for reinstatement is approved by the Company.

Insurance Coverage Provisions (Continued)

Termination of Coverage. All coverage under this policy will automatically terminate upon whichever of the following occurs first:

1. The Owner surrenders the policy.
2. The insured dies.
3. The policy matures.
4. The grace period ends.

Any monthly deduction made after termination of coverage will not, by itself, be considered a reinstatement of the policy nor a waiver by the Company of the termination. Any such deduction will be refunded.

Maturity Date. As used in this policy, the term "Maturity Date" shall mean (a) the last date to which premiums can be paid, or (b) the date on which insurance coverage will cease, or (c) the date on which any remaining net cash value will be paid to the Owner if the insured is then living.

Death Benefit. If the insured dies while the policy is in force, the Company will pay a death benefit based upon the Specified Amount Option in effect on the date of death, less (a) any indebtedness against the policy and (b) the amount of any partial surrenders. The Specified Amount Options available under this policy are as follows:

SPECIFIED AMOUNT OPTION A

The Insured's Specified Amount is in addition to the cash value. The Insured's death benefit (before deduction of any indebtedness against the policy and the amount of any partial surrenders) will equal the greater of:

- (a) the Specified Amount on the date of death plus the cash value on the date of death, or
- (b) an amount determined by the Company equal to that required by the Internal Revenue Code to maintain this contract as a life insurance policy. Any amount so determined will be set forth in the annual report which the Company will send to the Owner.

SPECIFIED AMOUNT OPTION B

The Insured's Specified Amount includes the cash value. The Insured's death benefit (before deduction of any indebtedness against the policy and the amount of any partial surrenders) will equal the greater of:

- (a) the Specified Amount on the date of death, or
- (b) an amount determined by the Company equal to that required by the Internal Revenue Code to maintain this contract as a life insurance policy. Any amount so determined will be set forth in the annual report which the Company will send to the Owner.

Unless the application for the policy indicates otherwise, or a change in the death benefit option is effected as provided below, the Company will consider Specified Amount Option B to be the option in effect.

Changes in Amount of Death Benefit. Unless provided otherwise, a change in death benefit may be effected under this policy, subject to (a) the consent of the Company and (b) the following conditions:

1. All such changes must be requested in writing on a form satisfactory to the Company and filed at the Home Office.
2. If a decrease in the Insured's Specified Amount is requested, the decrease will become effective on the Monthly Anniversary Day that coincides with or next follows receipt of the request provided any requirements as determined by the Company are met.

In such event, the Company will reduce the existing Specified Amount against the most recent increase first, then against the next most recent increases successively, and finally, against insurance provided under the original application; however, the Company reserves the right to limit the amount of any decrease so that the Specified Amount will not be less than the Minimum Specified Amount shown in the Policy Specifications.
3. If an increase in the Insured's Specified Amount is requested:
 - (a) a supplemental application must be submitted and evidence of insurability satisfactory to the Company must be furnished; and
 - (b) any other requirements as determined by the Company must be met.
 If the Company approves the request, the increase will become effective upon (i) the Monthly Anniversary Day that coincides

Insurance Coverage Provisions (Continued)

with or next follows the date the request is approved by the Company and (ii) the deduction from the cash value of the first month's cost of insurance for the increase. An increase in amount will result in additional surrender charges and a new Table of Surrender Charges will be provided when such increase takes effect.

4. If a request is made to change the death benefit from Specified Amount Option A to Specified Amount Option B:
 - (a) the Specified Amount will be increased to equal the death benefit as of the effective date of change; and
 - (b) the effective date will be the Monthly Anniversary Day that coincides with or next follows the date of receipt of the request for change.
5. If a request is made to change the death benefit from Specified Amount Option B to Specified Amount Option A:

Nonforfeiture Provisions

Cash Value. On each Monthly Anniversary Day, the cash value will be calculated as (1), plus (2), plus (3), minus (4), where:

- (1) is the cash value on the preceding Monthly Anniversary Day.
- (2) is all premiums received since the preceding Monthly Anniversary Day less the percentage of premium expense charge from the "Table of Expense Charges".
- (3) is interest on items (1) and (2).
- (4) is the monthly deduction for the month following the Monthly Anniversary Day.

If premium is received at any time other than the beginning of a policy month, the rate of interest used in the calculation of item (3) above will be determined pro rata from the date of receipt.

On any day other than a Monthly Anniversary Day, the cash value will be the cash value as of the preceding Monthly Anniversary Day, plus all premiums received since the preceding Monthly Anniversary Day less the percentage of premium expense charge from the "Table of Expense Charges". The cash value on the Date of Issue will be the initial premium received less (i) the initial poli-

- (a) the Specified Amount will be reduced to equal the death benefit, less the cash value, as of the effective date of change; and

- (b) the effective date will be the Monthly Anniversary Day that coincides with or next follows the date of receipt of the request for change.

Projection of Benefits and Values. The Company will provide a projection of illustrative future death benefits and cash values at any time upon written request and payment of a reasonable service fee. The fee payable will be the one then in effect for this service. The illustration will be based on (a) assumptions as to Specified Amount(s), type of coverage option(s) and future planned annual premium payments, and (b) such other assumptions (e.g., mortality and interest) as are necessary and specified.

cy fee from the "Table of Expense Charges", (ii) the monthly deduction for the then current policy month and, (iii) the percentage of premium expense charge from the "Table of Expense Charges".

Net Cash Value. The net cash value as of any date shall equal the cash value on that date as determined above less any indebtedness against the policy.

Monthly Deduction. The monthly deduction for a policy month will be calculated as Charge (1) plus Charge (2) where:

CHARGE (1) is the cost of insurance (as described in the "Cost of Insurance" provision) and the cost of any additional benefits provided by rider for the policy month.

CHARGE (2) is the monthly expense charge from the "Table of Expense Charges".

Interest Rates. The Company will credit interest to the cash value of the policy on each Monthly Anniversary Day.

The interest rate applied to the net cash value of the policy will be the greater of:

Nonforfeiture Provisions (Continued)

- (a) .32737% per month, compounded monthly (4% compounded yearly), or
- (b) a rate determined by the Company from time to time. Such rate will be established on a prospective basis and may vary by the issue year and duration.

The monthly interest rate applied to that portion of the cash value which secures any outstanding policy loan when expressed as an equivalent annual rate shall be the greater of (a) 4% or (b) the policy loan rate (as described in the "Loan Interest" section) less a percentage no greater than 2%.

Cost of Insurance. The cost of insurance for the Insured is determined on a monthly basis. Such cost is calculated as (1), multiplied by the result of (2) minus (3), where:

- (1) is the cost of insurance rate as described in the "Cost of Insurance Rates" provision,
- (2) is the death benefit at the beginning of the policy month, divided by 1.0032737, and
- (3) is the cash value at the beginning of the policy month prior to the deduction for the monthly cost of insurance.

Cost of Insurance Rates. Monthly cost of insurance rates will be determined by the Company, based on its expectations as to future mortality experience. Any change in cost of insurance rates will apply to all individuals of the same class as the Insured. Under no circumstances will the cost of insurance rates ever be greater than those shown in the "Table of Guaranteed Maximum Life Insurance Rates". Such guaranteed maximum rates are based on the Commissioners 1980 Standard Ordinary Mortality Table (B) (age nearest birthday) modified by any flat extra or risk factors for the applicable premium class.

Insufficient Value. If the surrender value, on the day preceding a Monthly Anniversary Day is, insufficient to cover the monthly deduction for the month following such Monthly Anniversary Day, the policy will terminate as provided in the "Grace Period" provision.

Basis of Computations. The minimum cash values under this policy are guaranteed to be no less than those calculated based on the Commissioners 1980 Standard Ordinary Mortality Table (B)

(age nearest birthday) with interest at 4% per year, compounded yearly.

The cash values are at least equal to those required on the Date of Issue by the jurisdiction in which this policy is delivered. A detailed statement of the method of computing values has been filed with the insurance supervisory official of that jurisdiction.

Continuation of Insurance. In the event planned annual premium payments are not continued, insurance coverage under this policy and any benefits provided by rider will be continued until the surrender value is insufficient to cover the monthly deduction, as provided in the "Grace Period" provision. This provision will not continue the policy beyond the Maturity Date nor continue any rider beyond the date for its termination, as provided in the rider. At the Maturity Date, the Company will pay the net cash value to the Owner if the Insured is then living.

Surrender and Surrender Value. This policy may be surrendered on any Monthly Anniversary Day during the lifetime of the Insured and before the Maturity Date. The amount payable on surrender of this policy (i.e., the "surrender value") will be the net cash value on the date of surrender less a charge determined from the "Table of Surrender Charges". (The charges shown in the table are the charges imposed at the beginning of the policy year; charges imposed upon surrender during the policy year will be determined on a consistent basis allowing for the lapse of time within such year.)

This surrender value will be paid in cash or under an elected optional mode of settlement. The Company may defer the payment of the surrender value for the period permitted by law, but not for more than 6 months from the date of request for surrender.

If surrender is requested under this section within 30 days after a policy anniversary, the surrender value will not be less than the surrender value on that anniversary, less any policy loans or partial surrenders made on or after such anniversary.

Partial Surrender. A partial surrender of this policy may be elected on any Monthly Anniversary Day during the lifetime of the Insured and prior to the Maturity Date by submitting written request to the Company. The amount of the partial surrender (a) must be at least \$500.00 but (b) may not exceed 90% of the then current surrender value.

Nonforfeiture Provisions (Continued)

When a partial surrender is made, the amount of the partial surrender will be deducted from the cash value. Also, the death benefit will be reduced by the amount of the partial surrender. The Specified Amount remaining in force after any partial surrender will be subject to the limits and minimum amount described in the "Changes in Amount of Death Benefit" provision.

The Company will not allow a partial surrender if the surrender value would be reduced below that required under the laws of the jurisdiction in which this policy is delivered.

Loan Provisions

Policy Loans. After a cash surrender value is available, the Company will grant a loan against the policy provided: (a) a proper loan agreement is executed and (b) a satisfactory assignment of the policy to the Company is made. The total amount of all loans with interest may not exceed the surrender value of the policy.

The Company may defer a loan for 6 months from the date of the request for the loan. The Company will not, however, defer a loan to be used to pay premiums on policies with the Company.

Loan Interest. Interest on any policy loan will be at a rate no greater than 8% per year payable in arrears. Loan interest is payable annually on each policy anniversary or as otherwise agreed in writing by the Owner and the Company. Interest not paid when due will then be added to the loan and bear interest at the same

A fee as set forth in the "Table of Expense Charges" will be deducted for each partial surrender. The Company reserves the right to limit the number of partial surrenders in a policy year. The Company also reserves the right to defer payment for the period permitted by law, but not for more than 6 months from the date of request for the partial surrender, unless such partial surrender amount is to be applied to the payment of premiums on policies with the Company.

rate. Interest, as it accrues from day to day, will constitute an indebtedness.

Indebtedness. The term "indebtedness" means money which is owed on this policy because of a loan on this policy. Any indebtedness at time of settlement will reduce the proceeds. Indebtedness may be repaid in whole or in part at any time before the policy matures. If, however, a premium is not paid within the grace period, any outstanding indebtedness can be repaid only if the policy is reinstated.

If at any time the total indebtedness against the policy, including interest accrued but not due, equals or exceeds the then current cash value, the policy will thereupon terminate without value subject to the conditions in the "Grace Period" provision.

General Provisions

Only the President, a Vice President, a Secretary, a Director or an Assistant Director of the Company may make or modify this policy.

The policy is executed at the Home Office of the Company, the Post Office address of which is Hartford, Connecticut.

Non-Participation. The policy is not entitled to share in surplus distribution.

The Policy. The policy and the application for the policy (including any supplemental applications for additional Specified Amounts) constitute the entire contract between the parties. All statements made in the application will, in the absence of fraud, be deemed representations and not warranties. No statement will be used in defense of a claim under the policy unless it is contained in the application, and a copy of the application is attached to the policy when issued.

General Provisions (Continued)

Payment of Proceeds. Proceeds, as used in this policy, means the amount payable (a) on the Maturity Date, (b) upon the surrender of this policy before the Maturity Date, or (c) upon the death of the insured.

The proceeds payable upon receipt of due proof of the insured's death will be the insured's death benefit less (a) any indebtedness against the policy and (b) the amount of any partial surrenders. If the policy is surrendered before the Maturity Date, the proceeds will be the surrender value described in the "Nonforfeiture Provisions" section. On the Maturity Date, the proceeds will be the net cash value. The proceeds are subject to the adjustments described in the following provisions:

1. Misstatement of Age;
2. Incontestability;
3. Suicide;
4. Partial Surrender;
5. Grace Period; and
6. Indebtedness.

When settlement is made, the Company may require return of the policy.

Misstatement of Age. If the age of the insured is misstated, the Company will adjust the death benefit to the amount that would have been purchased for the correct age at the then current cost of insurance rates. No adjustment, however, will be made to the cash value of the policy.

Suicide. If the insured commits suicide, while sane or insane, within 2 years from the Date of Issue, the death benefit will be

limited to a refund of premiums paid, less (a) any indebtedness against the policy and (b) the amount of any partial surrenders. If the insured commits suicide, while sane or insane, within 2 years from the effective date of any increase in the Specified Amount, the death benefit payment with respect to such increase will be limited to a refund of the monthly charges for the cost of such insurance.

Incontestability. Except for nonpayment of monthly deductions, this policy will be incontestable after it has been in force during the insured's lifetime for 2 years from its Date of Issue. This means that the Company will not use any misstatement in the application to challenge a claim or avoid liability after that time. Any increase in the Specified Amount effective after the Date of Issue will be incontestable only after such increase has been in force for 2 years during the insured's lifetime.

The basis for contesting an increase in Specified Amount will be limited to material misrepresentations made in the supplemental application for the increase. The basis for contesting after reinstatement will be (a) limited for a period of 2 years from the date of reinstatement and (b) limited to material misrepresentations made in the reinstatement application.

Annual Report. The Company will send a report to the Owner at least once a year without charge for such a report. The report will show (a) the current death benefit, (b) the current net cash value, (c) premiums paid and all deductions made since the last report, and (d) outstanding policy loans.

Change of Plan. This policy may be exchanged for another policy only if the Company consents to the exchange and all requirements for the exchange as determined by the Company are met.

Optional Methods of Settlement

This rider is made part of the policy to which it is attached as of the Date of Issue.

Upon written request, the Company will agree to pay in accordance with any one of the options shown below all or part of the net proceeds that may be payable under the policy. If (a) the proceeds to be settled under any option are less than \$2,500, (b) any installment or interest payment is less than \$25, or (c) any payee is a corporation, partnership, association, trustee or assignee, such options will be available only with the Company's consent.

While the Insured is alive, the request may be made by the Owner. Unless otherwise specified in writing by the Owner, such a request may also be made by the Beneficiary, after the Insured's death, provided it is made prior to any payment.

Option A: Annuity Certain. A definite number of equal installments or their equivalent will be payable. The first payment will be payable on the date proceeds are settled under the option. The amount of each installment will be determined from the Option A Table. The Option A Table is based on a guaranteed interest rate of 3% per year compounded annually.

Option B: Life Annuity with Certain Period. A definite number of equal monthly installments or their equivalent, and as long thereafter as the payee lives, will be payable. The first payment will be payable on the date proceeds are settled under the option. The amount of each installment will be determined from the Option B Table based on the payee's sex and settlement age. The settlement age shown in the Option B Table will be the payee's age, nearest birthday, on the date the first amount is paid modified as follows:

Calendar Year in which the first installment is payable	Settlement Age of Payee is age nearest birthday plus
Before 1990	3
1990 - 1999	2
2000 - 2009	1
2010 and later	0

The Option B Table is based on a guaranteed interest rate of 3.5% per year compounded annually.

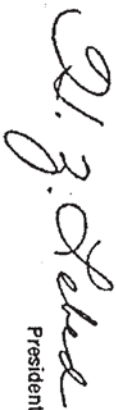
Option C: As a Deposit at Interest. The Company will retain the proceeds while the payee is alive and will pay interest annually thereon at a rate of not less than 3% per year. Upon the payee's death, the amount on deposit will be paid.

Option D: Installments Until Proceeds are Exhausted. Installments of specified amounts will be payable until the proceeds with any interest thereon are exhausted. The first installment will be payable on the date proceeds are settled under the option. The installment amounts must be at least \$120 per year per \$1,000 of proceeds retained. Interest will be payable at a rate of not less than 3% per year compounded annually.

Additional Options. Any proceeds payable under the policy may also be settled under any other method of settlement offered by the Company at the time of the request.

Excess Interest. At the sole discretion of the Company, excess interest may be paid or credited from time to time in addition to the payments guaranteed under any Optional Method of Settlement.

Connecticut General Life Insurance Company


President

Option A Table For Each \$ 1,000 Retained

Optional Methods of Settlement (Continued)

Number of years during which installments will be paid	Amount of each installment		Number of years during which installments will be paid	Amount of each installment		Number of years during which installments will be paid	Amount of each installment	
	Annual	Monthly		Annual	Monthly		Annual	Monthly
1	\$1,000.00	\$84.47	9	\$124.69	\$10.53	16	\$77.29	\$6.53
2	507.39	42.86	10	113.82	9.61	17	73.74	6.23
3	343.23	28.99	11	104.93	8.86	18	70.59	5.96
4	261.19	22.06	12	97.54	8.24	19	67.78	5.73
5	211.99	17.91	13	91.29	7.71	20	65.26	5.51
6	179.22	15.14	14	85.95	7.26	25	55.76	4.71
7	155.83	13.16	15	81.33	6.87	30	49.53	4.18
8	138.31	11.68						

Option B Table For Each \$1,000 Retained

Settlement age of payee nearest birthday		Number of installments certain				Settlement age of payee nearest birthday		Number of installments certain				Settlement age of payee nearest birthday		Number of installments certain			
		60	120	180	240			60	120	180	240			60	120	180	240
Male	Female					Male	Female					Male	Female				
10 ⁺	10 ⁺	\$3.16	\$3.16	\$3.16	\$3.15	32	37	\$3.67	\$3.66	\$3.65	\$3.64	59	64	\$5.47	\$5.34	\$5.15	\$4.91
11	11	3.17	3.17	3.17	3.16	33	38	3.70	3.70	3.69	3.67	60	65	5.59	5.45	5.24	4.97
12	12	3.18	3.18	3.18	3.17	34	39	3.74	3.73	3.72	3.70	61	66	5.71	5.56	5.33	5.03
13	13	3.19	3.19	3.19	3.18	35	40	3.77	3.77	3.75	3.74	62	67	5.85	5.68	5.42	5.10
14	14	3.20	3.20	3.20	3.20	36	41	3.81	3.80	3.79	3.77	63	68	5.99	5.80	5.51	5.16
15	15	3.21	3.21	3.21	3.21	37	42	3.85	3.84	3.83	3.81	64	69	6.15	5.93	5.61	5.21
16	16	3.23	3.22	3.22	3.22	38	43	3.89	3.88	3.87	3.84	65	70	6.31	6.07	5.70	5.27
17	17	3.24	3.24	3.24	3.23	39	44	3.94	3.93	3.91	3.88	66	71	6.48	6.21	5.80	5.33
18	18	3.25	3.25	3.25	3.25	40	45	3.99	3.97	3.95	3.92	67	72	6.66	6.35	5.90	5.38
19	19	3.27	3.27	3.26	3.26	41	46	4.03	4.02	4.00	3.96	68	73	6.86	6.50	6.00	5.43
20	20	3.28	3.28	3.28	3.27	42	47	4.09	4.07	4.05	4.00	69	74	7.07	6.66	6.10	5.48
21	21	3.30	3.30	3.29	3.29	43	48	4.14	4.13	4.09	4.05	70	75	7.29	6.83	6.19	5.52
22	22	3.31	3.31	3.31	3.31	44	49	4.20	4.18	4.14	4.09	71	76	7.52	7.00	6.29	5.56
23	23	3.33	3.33	3.33	3.32	45	50	4.26	4.24	4.20	4.14	72	77	7.77	7.17	6.38	5.60
24	24	3.35	3.35	3.34	3.34	46	51	4.32	4.30	4.25	4.18	73	78	8.04	7.35	6.47	5.63
25	25	3.37	3.37	3.36	3.36	47	52	4.39	4.36	4.31	4.23	74	79	8.32	7.53	6.55	5.66
26	26	3.39	3.38	3.38	3.38	48	53	4.46	4.43	4.37	4.28	75	80	8.62	7.71	6.63	5.68
27	27	3.41	3.40	3.40	3.40	49	54	4.53	4.49	4.43	4.34	76	81	8.94	7.89	6.71	5.70
28	28	3.43	3.43	3.42	3.42	50	55	4.61	4.56	4.49	4.39	77	82	9.28	8.07	6.78	5.73
29	29	3.45	3.45	3.44	3.44	51	56	4.69	4.64	4.55	4.44	78	83	9.63	8.25	6.84	5.73
30	30	3.47	3.47	3.47	3.46	52	57	4.77	4.71	4.62	4.50	79	84	10.00	8.43	6.89	5.74
31	31	3.50	3.49	3.49	3.48	53	58	4.85	4.79	4.69	4.55	80	85	10.39	8.60	6.94	5.74
32	32	3.52	3.52	3.51	3.51	54	59	4.94	4.87	4.76	4.61	81		10.80	8.77	6.98	5.75
33	33	3.55	3.54	3.53	3.53	55	60	5.04	4.96	4.84	4.67	82		11.22	8.93	7.01	5.75
34	34	3.58	3.57	3.57	3.56	56	61	5.14	5.05	4.91	4.73	83		11.66	9.08	7.04	5.75
35	35	3.60	3.60	3.59	3.58	57	62	5.24	5.14	4.99	4.79	84		12.12	9.21	7.06	5.75
36	36	3.63	3.63	3.62	3.61	58	63	5.35	5.24	5.07	4.85	85		12.60	9.34	7.07	5.75

* and under

** and over

CONNECTICUT GENERAL LIFE INSURANCE COMPANY
HARTFORD, CONNECTICUT

Insured: ANTHONY J GROSEK, JR

Policy Number: 5056025

Date of this Rider: NOVEMBER 7, 1988

In accordance with the "Change of Plan Provisions" of prior Policy Number 1927896

The period during which this policy is contestable, as provided for in the provision of the policy entitled "Incontestability", and the period during which the suicide of the Insured is a risk not assumed, as provided for in the provision of the policy entitled "Suicide", will, with respect to the amount of insurance of the prior policy, begin from the date of issue of the prior policy. Such provisions, however, will begin from the Date of Issue of this new policy with respect to any amount of insurance in excess of the amount of insurance of the prior policy.

W. J. Sted
President

B8577

Connecticut General Life Insurance Company
a CIGNA company

LIFE INSURANCE APPLICATION — SIMPLIFIED

Nº 003607

PART I

1a. Full First Name Anthony Middle Initial J Last Name Grassie Jr b. Proposed Insured's SS # 777-77-7777 c. Sex ☒ M ☐ F

d. Date of Birth Month 5 Day 19 Year 1926 Age nearest Birthday 67 Place of Birth Wilkes-Barre, Pa State Pa

2. Residence Street and No. Rd #2 Box 2 City Pennock State Pa Zip Code 18612 (Home) Phone Numbers 717-826-6822

3a. Plan of Insurance (Flex. Prem. Adjustable Life) Continuum/PAT b. ELECTED RATE: ☐ Sex Neutral ☒ Sex Distinct

c. ☐ Option (A) Specified Amount Plus Cash Value
☒ Option (B) Specified Amount
 Initial Specified Amount \$1,600,000
 1st Year Planned Annual Premium \$68,631
☐ Lump Sum Deposit \$

4. Shall the Automatic Premium Loan provision (if available) be made effective? ☐ Yes ☐ No

5. Additional Benefits (if available.) Check benefit(s) desired and indicate amount where requested.
☐ Waiver of Premium (WP)/Monthly Deduction (WMD) ☐ Target Term Rider (TTR) _____ % \$ _____
☐ Additional Indemnity (AI) \$ _____ (if less than face) ☐ Flex Premium Increasing Term Rider (FPIT) _____
☐ Insured Purchase Option (IPO) \$ _____ ☐ _____ \$ _____
☐ _____ \$ _____

6a. Occupation President How long so employed? 15 Years
 b. Name of employer and nature of business Grassie & Associates, LLC c. Is employer the Owner ☐ Yes ☒ No of this Policy?

d. Place of Business Street and No. _____ City _____ State _____ Zip Code _____
1500 Hamilton Avenue b/lk 10 W. Hamilton St Wilkes-Barre Pa 18763

7a. Owner AND relationship to proposed Insured if other than #6b. (If no other Owner is designated, the Insured shall be Owner.)
George B. Sordani, Trustee under an Agreement of Trust with the Insured dated April 31, 1980
 b. Contingent Owner, if any, AND relationship to Proposed Insured.

c. If Owner is other than the Insured, Owner's SS # 777-77-7777 or Tax I.D. # 777-77-7777

8a. How shall premiums be payable? ☒ Annually ☐ Quarterly ☐ Salary Allotment
☐ Semi-Annually ☐ PAC ☐ Govt. Allotment

b. To whom shall premium notices be sent? ☐ To both Insured and Owner ☐ To Insured only (Owner must sign Application)
☒ To Owner only

c. If Insured is to receive premium notices, where should they be sent? ☐ Insured's residence ☐ Insured's business
☐ Other

d. If Owner is to receive premium notices, where should they be sent? Street and No. _____ City _____ State _____ Zip Code _____
26 Box 276 Pennock Pa 18612

9. Beneficiary. All Primary Beneficiaries who survive the Insured shall share equally unless otherwise indicated. If no Primary Beneficiary survives the Insured, benefits will be paid in equal shares to the Contingent Beneficiaries, if surviving the Insured, unless otherwise specified.

a. Primary Beneficiary AND relationship to Proposed Insured. George B. Sordani, Trustee under an Agreement of Trust with the Insured
Dated April 31, 1980
 b. Contingent Beneficiary AND relationship to Proposed Insured.

c. Is the right to change the Beneficiary and to exercise all other policy rights without the consent of the Beneficiary reserved to the Owner? ☒ Yes ☐ No

10. If Beneficiary or Owner is other than an individual, indicate whether a
☐ Corporation or ☐ Partnership

11. Will you discontinue or otherwise stop paying premiums on any Life Insurance or Annuity if this Insurance is issued?
 If "Yes," give full details in space provided. ☒ Yes ☐ No
 Forward proper replacement forms, if required.

Company	Policy Number	Amount
<u>Conn Gen</u>	<u>1927896</u>	<u>676,000</u>
<u>Barrett L. Inc</u>	<u>110470748</u>	<u>500,000</u>

12. Do you contemplate flying, or have you flown during the past 2 years as a pilot, student pilot, or crew member?
If "Yes" an Aviation Supplement is required. ☐ Yes ☐ No
13. Do you plan to participate or have you participated within the past 2 years in any hazardous sports or activities such as motor vehicle or boat racing, hang gliding, or sky, skin, or scuba diving?
If "Yes," complete Avocation questionnaire. ☐ Yes ☐ No
14. Do you contemplate residence or travel outside of the United States or Canada for more than 30 days within the next year?
If "Yes," give full details in space provided at right. ☐ Yes ☐ No
15. Have you ever applied for any Life or Health Insurance which resulted in your being turned down, asked to pay extra premium, or issued a reduced face amount?
If "Yes," give full details in space provided at right. ☐ Yes ☐ No
16. What is your exact height? ft. in.
17. What is your exact weight? lbs.
18. Have you ever had or consulted a physician for: any disease of the heart, blood vessels, or lungs; tumor or cancer; elevated blood pressure; nervous system disorder; mental, emotional or behavioral disorder; diabetes, kidney or urinary disorder; disease of the stomach, intestines, or liver; treatment for alcoholism or drug abuse; or major accident?
If "Yes," give full details in space provided at right. ☐ Yes ☐ No
19. During the last six months, have you been absent from work (or school) because of illness or injury? ☐ Yes ☐ No
If "Yes," give full details in space provided at right.
20. When and for what reason did you last consult a physician?
Give full details in space provided at right. Include physician's name.
21. Have you smoked one or more cigarettes in the past 12 months? ☐ Yes ☐ No

DETAILS OF "YES" ANSWERS TO QUESTIONS
14-20. Identify question Number.

Response to questions 11 thru 21 not requested for Precedent Asset Transfer Program

22. ADDITIONAL INSTRUCTIONS

Precedent Policy 1927896 shall be transferred.
Date policy 11-7-88

23. HOME OFFICE CHANGES OR CORRECTIONS

Client # 0000505

I (We) have read the above questions and answers and declare that they are complete and true to the best of my (our) knowledge and belief. I (We) agree, a) that this Application (Part I, pages 1 and 2; Part II if required) shall form a part of any Policy issued, and b) that no Agent/Representative of the Company shall have the authority to waive a complete answer to any question in this Application, transfer insurability, make or alter any contract, or waive any of the Company's other rights or requirements. I (We) further agree that no insurance shall take effect (except as provided in the Temporary Life Insurance Agreement if an advance payment has been made and acknowledged above and such Agreement issued) unless and until the Policy has been delivered to and accepted by me (us) and the initial premium paid during the lifetime and prior to any change in the health of the Proposed Insured.

Changes or corrections made by the Company and noted in Item 23 above are ratified by the Owner upon acceptance of a contract containing this Application with the noted changes or corrections. In those states where written consent is required by statute or State Insurance Department regulation, amendments as to plan, amount, age at issue, classification, or benefits will be made only with the Owner's written consent.

Dated at

Wichita, Kansas
City and State

on 2 19 88
Month Day Year

Witness - Licensed Agent/Representative

Witness

Signature of Proposed Insured

Signature of Applicant/Owner if Other than
Proposed Insured (when required)

Nº 003607

PART II OF APPLICATION FOR INSURANCE

Proposed Insured's answers must be recorded by Medical Examiner with no one else present)

PROPOSED INSURED:	GROSEK, Anthony Jr.		BIRTHDATE		EXAMINER: PLEASE CHECK REASON FOR EXAMINATION:
			MO.	DAY	YR.
			5	9	26
					<input checked="" type="checkbox"/> LIFE INS. <input type="checkbox"/> DISABILITY INS. <input type="checkbox"/> PLAN CHANGE <input type="checkbox"/> OTHER (Explain)
1. Have you ever had or been treated for:					Details of "Yes" answers: Identify question number, circle applicable items. Include diagnosis, dates, duration and names and addresses of all attending physicians and medical facilities.
a. Chest pain, <u>high blood pressure</u> , heart disease, heart murmur, or other disorders of the heart or blood vessels? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
b. Ulcers, colitis, jaundice, or other disease of the stomach, liver, intestines or gallbladder? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
c. Sugar, albumin, blood or pus in the urine; venereal disease; disorder of the kidney or bladder? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
d. Seizures, epilepsy, fainting, dizziness, stroke or paralysis? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
e. Nervous, mental, or emotional disorder? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
f. Any tumor, cancer, cysts; any disorder of lymph glands? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
g. Arthritis, gout, recurrent back pain, sciatica, neuritis, or any disorder of the back, spine, nerves, muscles or joints? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
h. Diabetes, thyroid or other endocrine or glandular disorder? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
i. Anemia, immune deficiency, or any other blood disorder? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
j. Asthma, emphysema, shortness of breath, or any other disorder of the respiratory system? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
k. Disorder of the eyes, ears, nose or throat? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
l. Drug or alcohol abuse, or been advised to limit your use of alcohol or addictive substances? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
m. Any physical abnormality or deformity? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
n. Allergies or skin disorder? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
2. Are you now under observation or treatment? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
3. Other than above, have you within the past 5 years:					
a. Had any mental or physical disorder not listed above? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
b. Had a check-up, electrocardiogram, x-ray, blood test or diagnostic test? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
c. Been a patient in a hospital, clinic, sanatorium, or other medical facility? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
d. Been advised to have any diagnostic test, hospitalization, or surgery which was not completed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
4. Have you ever requested or received benefits or payment because of an injury, sickness or disability? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
5. Have you used tobacco in any form within the last twelve months? If "Yes," describe frequency and kind of tobacco used. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
5. Family History: Diabetes, cancer, high blood pressure, mental illness, suicide or heart disease? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
		Age if Living	Cause of Death	Age at Death	8. Have you ever had any disorder of the reproductive organs (testicles, prostate, breasts, ovaries, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, explain
Father			CVA	76	
Mother			Old age	94	
Brothers & Sisters		37, 65, 68, 76, 74, 70			
No. Living		(all living)			
No. Dead					
7a. Name and address of your personal physician: <u>Dr. Kevin Jacobs, Macmillan, Dallas, PA</u> (If none, please check) <input type="checkbox"/> None					
b. Date and reason last consulted: <u>Oct. 1988 - for routine physical</u>					
c. What treatment was given or medication prescribed? <u>NONE</u>					
I hereby declare that the statements and answers to the above questions are complete and true to the best of my knowledge and belief. I agree that a copy of this Part II shall be attached to and form a part of any policy issued.					
DATED AT (City, State & Zip Code)		(Month, Day & Year)		SIGNATURE OF PROPOSED INSURED OR PARENT OR GUARDIAN IF A JUVENILE	
Kingston, PA. 18704		on: 11-4-88			
WITNESS (Medical Examiner) <u>David James D.O.</u>					

Endorsements

Connecticut General Life Insurance Company

Flexible Premium Adjustable Life Insurance Policy - Non-Participating

Death benefit payable in the event of death before the Maturity Date. Adjustable death benefit.

Net Cash Value payable on the Maturity Date.

Flexible Premiums payable to Maturity Date or prior death of the Insured.

Premium Payment Periods and Supplementary Coverages as shown in the Policy Specifications.

EXHIBIT “B”



You do not complete requesting your document(s) or information about your policy considered to be a request. You must add the following information to your policy, or the change in your coverage is being requested, current disclosure. You may actually request, without charge, an initial copy of your 1964-1973, contact your financial Representative, or writing to the National Council, P.O. Box 61140, Fort Worth, TX 76161. If you do not receive a current disclosure of just policy, such as a bid from your request, you should contact your insurance agent.

US\$675

EXHIBIT “C”

The Lincoln National Life Insurance Company
Client Service Center
P.O. Box 84130
Lincoln, NE 68501-4130



Notice of Policy Status

March 6, 2012

Policy Number: 5056025

Insured: ANTHONY J GROSEK JR

Issuing Company*: CONNECTICUT GENERAL
LIFE INSURANCE COMPANY

Financial Representative: BILL BERGNER



ANTHONY J GROSEK JR TDT033180
GEORGE B SORDON TTES
644 MEADOWS NEWBERRY EST
DALLAS, PA 18612

Dear Client:

We are writing to tell you that there is insufficient cash value under your life insurance policy to cover the required monthly deduction. Because we value you as a customer, we encourage you to continue to provide protection for you and your beneficiary.

The minimum payment necessary to maintain this policy in force until 11/07/2012 is \$90,417.79. Unless this amount is received within the grace period, your policy will terminate, according to its terms, on 04/08/2012.

CURRENTLY YOUR ELECTED PREMIUM DOES NOT COVER YOUR TOTAL COST OF INSURANCE FOR THE ANNUAL MODE. PLEASE CONTACT OUR OFFICE FOR AN ILLUSTRATION.

We are committed to providing you with quality customer service. If you have any questions or comments, please contact Lincoln's Client Service Center at (866) 835-3223 between the hours of 8:00 a.m. and 6:00 p.m. Eastern Time, Monday through Friday, or contact your financial representative.

Sincerely,

Lincoln's Client Service Center

* The Lincoln National Life Insurance Company acts as administrative agent for this company.

www.lfg.com

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

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